

MEMORANDUM FOR: Chief, Coordination (Attention: Deputy Chief, Coordination
Chief, Economic Services
Chief, Administrative Staff
Chief, Economic Defenses)

SUBJECT: Department of Commerce Project on Trade Between the Free
World and the Soviet Bloc

1. Early in fiscal year 1953 ODM and CIA, through an arrangement between Messrs. Hanson and Amory, agreed to give joint support to the subject project during fiscal year 1953. Each agency contributed [REDACTED] apiece with CIA forwarding that amount to ODM. It is my understanding that ODM contracted for the total amount with Department of Commerce.

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2. The current problem is that neither ODM nor CIA have arranged for the transfer of funds to support the subject project through fiscal year 1954. The ODM budget for fiscal year 1954 does not carry an item covering subject support and the request for additional funds for this purpose will have to be made if CIA support is continued through this fiscal year.

3. The subject project consists of three parts:

a. Compilation of trade statistics from the national statistics of individual countries;

b. Tabulation and analysis of statistical information reported by COMCON; and

c. Analysis of trade information developed in sub-project a. plus analysis of trade agreements and export controls system.

25X1A9a 4. At the suggestion of ODM, the Ch/C established an ad hoc committee
25X1A9 chaired by [REDACTED] concerned with statistical reporting on East-
East trade. [REDACTED] established a subcommittee of his ad hoc committee
to survey the effectiveness of the work accomplished under sub-project b. This subcommittee ended up under the IFC and furnished a report on its survey to the IFC on 5 June 1953. He established another subcommittee to survey the work accomplished under sub-project a. The survey has been completed and a report will be undertaken for submittal to Messrs. Hanson and Guhe. It was decided that the Chief of D/E should contact appropriate officers in State and in S/TF to obtain the necessary information on which to make an evaluation in the form of a report to the AD/FR regarding the utility and effectiveness of the work accomplished under sub-project c.

5. It is hoped that the latter two reports will be in the hands of the AD/FR early in the week of 27 July. The AD/FR will then confer with Mr. Hanson, and the two of them will approach Messrs. Anderson and George

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of Commerce to discuss minimum support required for continuation of those parts of the three sub-projects considered to be necessary to COM, State, and CIA.

OTTO E. GUTHIE
Assistant Director
Research and Reports

OAD/RR
CHG:tha/bh

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